

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE  
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Ratesetting

## TO PARTIES OF RECORD IN APPLICATION 13-12-015:

This is the proposed decision of Administrative Law Judge (ALJ) Stephen C. Roscow, previously designated as the presiding officer in this proceeding. It is filed and served upon the service list to this proceeding as a courtesy only. It will appear on the December 18, 2014, Commission's agenda. This matter was categorized as ratesetting and is subject to Pub. Util. Code § 1701.3(c). Upon the request of any Commissioner, a Ratesetting Deliberative Meeting (RDM) may be held. If that occurs, the Commission will prepare and publish an agenda for the RDM 10 days beforehand. When the RDM is held, there is a related *ex parte* communications prohibition period. (See Rule 8.3(c)(4).)

When the Commission acts on the proposed decision, it may adopt all or part of it as written, amend or modify it, or set it aside and prepare its own decision. Only when the Commission acts does the decision become binding on the parties.

Pursuant to Rule 14.6(b), the period for public review and comment on the proposed decision is waived due to stipulation of all parties.

/s/ TIMOTHY J. SULLIVANTimothy J. Sullivan  
Chief Administrative Law Judge (Acting)

TJS:dc3

Attachment

Decision **PROPOSED DECISION OF ALJ ROSCOW** (Mailed 12/5/2014)

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Southern California Edison  
Company (U338E) for Approval of its 2013  
Rate Design Window Proposals.

Application 13-12-015  
(Filed December 24, 2013)

**DECISION ADOPTING SETTLEMENT**

**TABLE OF CONTENTS**

<b>Title</b>	<b>Page</b>
DECISION ADOPTING SETTLEMENT.....	1
Summary.....	2
1    Procedural History.....	2
2    Standard of Review.....	5
3    The August 14, 2014 Settlement Agreement.....	6
Rate R.....	6
3.1 Residential TOU Rates .....	8
3.1.1 Schedule TOU-D.....	8
3.1.1.1 Eligibility for Schedule TOU-D .....	8
3.1.1.2 Schedule TOU-D Rate Design .....	9
3.1.2 Time Periods for Optional TOU Residential Rates .....	10
3.1.3 Revenue Deficiency from Optional Rates.....	11
3.1.4 Meter Charge for Schedule TOU-EV-1 .....	11
4    Discussion .....	12
4.1.1 Is the Settlement Agreement Reasonable In Light Of the Record? .....	12
4.1.2 Is the Settlement Agreement Consistent with the Law? .....	14
4.1.3 Is the Settlement Agreement in the Public Interest? .....	16
5    Conclusion .....	17
6    Comments on Proposed Decision .....	17
7    Assignment of Proceeding.....	17
Findings of Fact .....	17
Conclusions of Law .....	18
ORDER .....	18

**DECISION ADOPTING SETTLEMENT****Summary**

This decision addresses the application of Southern California Edison Company (SCE) for approval of its 2013 Rate Design Window proposals. The settlement agreement filed on August 14, 2014 via Joint Motion by SCE, the Office of Ratepayer Advocates, the Solar Energy Industries Association, and the Natural Resources Defense Council, is approved.

The revised rates that result from this decision will become effective no sooner than January 1, 2015.

This proceeding is closed.

**1 Procedural History**

On December 24, 2013, Southern California Edison Company (SCE) filed Application 13-12-015, its *Application of Southern California Edison Company for Approval of its 2013 Rate Design Window Proposals* (Application).<sup>1</sup>

On January 23, 2014, Natural Resources Defense Council (NRDC) filed a response to SCE's application, and on January 27, 2014, protests were filed by the Office of Ratepayer Advocates (ORA), The Utility Reform Network (TURN), Solar Energy Industries Association (SEIA), and California Solar Energy Industries Association (CALSEIA). SCE replied on February 6, 2014. A prehearing conference was held on February 20, 2014 in order to establish the

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<sup>1</sup> In Decision (D.) 07-07-004, the Commission adopted a modified Rate Case Plan, which includes a procedure for SCE and other investor-owned utilities to request rate design changes in years other than those covered by the rate design portions of their General Rate Cases (GRCs). Specifically, the Rate Case Plan provides that SCE may make a Rate Design Window (RDW) filing between December 20 and December 26 prior to an attrition year.

service list for the proceeding, discuss the scope of the proceeding, and develop a procedural timetable for the management of the proceeding.

An Assigned Commissioner and Administrative Law Judge's Scoping Memo and Ruling (Scoping Memo) was issued on April 10, 2014. The Scoping Memo confirmed the preliminary categorization of the proceeding as ratesetting, and also confirmed the need for evidentiary hearings, defined the issues that would be considered in the proceeding, established a schedule, and included time for parties to attempt to settle disputed issues. The following issues are within the scope of this proceeding:

1. Pursuant to D.13-03-031 in SCE's most recent GRC, SCE is proposing modifications to "Option R," an optional rate for certain non-residential customers with onsite renewable generation (*see* D.13-03-031, Attachment D, Medium and Large Commercial Customer Rate Design Settlement Agreement at 22).
2. Pursuant to D.11-07-029, Ordering Paragraph 3, SCE proposes modifications to its optional plug-in electric vehicle (PEV) rates. SCE also proposes to make its proposed Schedule Time of Use-Domestic (TOU-D) available to all residential customers regardless of whether they own a PEV. Finally, SCE also proposes a revision to one of its commercial PEV rates, Schedule TOU-EV-3.
3. Parties shall address whether there are any safety issues in SCE's application.

CALSEIA, SEIA, and ORA served prepared direct testimony on June 30, 2014. SCE and the NRDC served rebuttal testimony on July 30, 2014.

The Settling Parties request the admission of testimony SCE served on December 24, 2013 (SCE-1); SCE errata testimony served on June 2, 2014 (SCE-1A); intervenor testimony served on June 30, 2014 by ORA (ORA-1), SEIA (SEIA-1) and CALSEIA (CALSEIA-1); rebuttal testimony served on July 30, 2014

by SCE (SCE-2) and NRDC (NRDC-1); and errata to SCE rebuttal testimony, served on August 1, 2014 (SCE-2A). These exhibits are admitted into evidence.

According to the Joint Motion, informal settlement negotiations between SCE and some of the active parties to the proceeding began on July 30, 2014. On August 6, 2014, SCE provided notice to all parties of its intent to formally hold a settlement conference. That settlement conference, scheduled pursuant to Article 12 of the Commission's Rules of Practice and Procedure, was held telephonically on August 13, 2014.<sup>2</sup>

On August 14, 2014 SCE, ORA, SEIA, and NRDC (Settling Parties) filed a Joint Motion for Approval of Settlement Agreement (Settlement Agreement). Settling Parties further state that the only other parties to the proceeding, TURN and CALSEIA, have authorized the Settling Parties to represent to the Commission that while they are not signatories to the Settlement Agreement, they do not intend to file comments opposing it.<sup>3</sup>

On August 21, 2014, Settling Parties jointly submitted an amendment to Appendix B of the August 14, 2014 Settlement Agreement. Settling Parties state that the amendment, titled "Revised Appendix B Current vs. Illustrative Settlement Rates," is intended to supplant the originally filed Appendix B to the Settlement Agreement. The original Appendix B had inadvertently omitted illustrative Rate R rates. The Revised Appendix B adds those rates and also corrects typographical errors in the original appendix.

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<sup>2</sup> All references to rules are to the Commission's Rules of Practice and Procedure, which are available on the Commission's website at

<http://www.cpuc.ca.gov/PUC/documents/codelawspolicies.htm>

<sup>3</sup> Joint Motion at 1.

The Settlement Agreement and the August 21, 2014 amendment may be obtained from the Docket Card for this proceeding on the Commission's website.

The Settlement Agreement addresses all the disputed issues in this proceeding.<sup>4</sup> Evidentiary hearings were held on August 28, 2014 to review the reasonableness of the settlement agreement. This proceeding was submitted for Commission decision on August 28, 2014.

## **2 Standard of Review**

The Commission has long favored the settlement of disputes. However, pursuant to Rule 12.1(d) of the Commission's Rules of Practice and Procedure, the Commission will not approve a settlement, whether contested or uncontested, unless it is found to be reasonable in light of the whole record, consistent with law, and in the public interest.

As discussed below, we find that the record in this proceeding supports a finding that the settlement agreement, as amended, is reasonable, consistent with law, and in the public interest. SCE was represented by its staff and counsel in the proceeding. Parties representing all customer groups who would be affected by SCE's proposals prepared and served exhibits on the disputed issues in this proceeding. The record shows that the settlement agreements were reached after demonstrable give-and-take between the parties, which occurred over a period of time. Together, these findings support our adoption of those agreements.

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<sup>4</sup> Uncontested issues in the Settlement include adoption of SCE's commercial PEV rate proposals, the calculation of the California Alternative Rates for Energy (CARE) discount for residential TOU customers, and the seasonal definition change to Schedule TOU-EV-1 (the separately metered residential rate).

### **3 The August 14, 2014 Settlement Agreement**

According to the Settling Parties, the Settlement Agreement seeks to resolve all issues related to SCE's Rate R (formerly known as "Option R"), which is an optional commercial and industrial rate for customers with demands between 20 Kilowatt (kW) and 4 Megawatt (MW) who have renewable distributed generation technologies, and whose systems have a net capacity that is fifteen percent or greater than the customer's annual peak demand. Rate R is structured so that SCE recovers all generation-related capacity costs, and a portion of distribution and transmission-related capacity costs, through volumetric energy charges.

The Settlement Agreement also resolves all issues regarding SCE's proposed optional electric vehicle and residential rates.

Settling Parties state that upon Commission approval of the Settlement Agreement, SCE will file a Tier 1 Advice Letter adjusting its tariffs to reflect the terms of the Settlement Agreement.

We briefly summarize each provision of the Settlement Agreement in the following sections.<sup>5</sup>

#### **Rate R**

As filed in the testimony accompanying its Application, SCE's Rate R proposal had two features. First, SCE proposed an update to the current Rate R rate design to account for an analysis of more than just Time-of-Use General Service-3 customers (which comprised the focus of the current Rate R rate

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<sup>5</sup> In accordance with the August 8, 2014 e-mail ruling of the assigned Administrative Law Judge (ALJ), Appendix A to the Settlement Agreement provides, in tabular form, a matrix showing SCE's current tariff or policy on issues contested in this proceeding, together with SCE's RDW proposals, other parties' positions, and the settlement outcomes.



design), and to include a Non-Coincident Peak Demand (NCPD) attribute in determining the Facilities-Related Demand (FRD) adjustment for Rate R. SCE's updated rate design sought to more accurately reflect rate class-level distribution revenue allocation. Second, largely as a result of the E3 Study's conclusions regarding Net Energy Metering (NEM) subsidies, SCE proposed to maintain the 150 MW cap on Rate R because the vast majority of Option R customers are NEM customers.

Two parties protested SCE's Rate R proposals: SEIA and CALSEIA. SEIA proposed a modification to SCE's proposed rate design changes, seeking to remove SCE's proposed NCPD-based adjustment; Settling Parties state that this would result in larger discounts for certain Rate R customers and smaller discounts for others.<sup>6</sup> Both SEIA and CALSEIA sought removal of the 150 MW cap, citing claims that Rate R is a cost-based rate, concerns about the viability of solar investments in California without Rate R, and assertions that NEM-related impacts on Option R customers have no bearing on Rate R's cost-effectiveness.

The Settlement Agreement addresses these two contested issues as follows. First, the Settling Parties agreed to revise SCE's updated Rate R rate design to reflect a 50/50 compromise that averages SEIA's and SCE's distribution FRD adjustment values used to calculate the offset for distribution demand charges. Second, the Settling Parties agreed to raise the Rate R cap from the currently subscribed 150 MW to 400 MW, although the 400 MW is inclusive of any TOU-8 Rate A customers ("Special Solar Allowance" customers, defined in more detail in the Settlement Agreement) who switch to Rate R within six months of the implementation of the Settlement Agreement. Thus, rather than having a

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<sup>6</sup> Joint Motion at 9.

150 MW Rate R cap, and a 50 MW Special Solar Allowance cap, the Settling Parties agreed to 400 MW total for Rate R, with the Special Solar Allowance closed to new customers six months after the implementation of the Settlement.

### **3.1 Residential TOU Rates**

This section summarizes SCE's residential TOU rate proposals, opposition thereto, and how the issue was resolved in the Settlement Agreement.

#### **3.1.1 Schedule TOU-D**

##### **3.1.1.1 Eligibility for Schedule**

##### **TOU-D**

In the testimony accompanying its Application, SCE proposed that a new Schedule TOU-D be adopted to replace the current whole-house PEV-specific rate schedule, Schedule TOU-D-TEV.

In filed testimony, NRDC supported SCE's proposal, but SEIA, ORA and TURN did not. Opposition to "open eligibility" centered on procedural and substantive concerns. Procedurally, ORA, TURN and SEIA advocated for Commission resolution of the issue of opt-in residential TOU rates of general applicability in either the ongoing Residential Rates Rulemaking or SCE's 2018 GRC Phase 2 instead of this RDW proceeding. ORA and SEIA supported limiting eligibility of Schedule TOU-D to customers who charge PEVs. Substantively, parties expressed concern about how a revenue deficiency from non-PEV-charging customers moving from SCE's default residential rate (Schedule D) to Schedule TOU-D would impact non-participating customers.

To mitigate these concerns, the Settling Parties agreed to adopt SCE's open eligibility proposal on only a limited basis, for 200,000 customers total, subject to revisiting under certain circumstances should the need arise.

**3.1.1.2 Schedule TOU-D Rate Design**

In the testimony accompanying its Application, SCE proposed that Schedule TOU-D be comprised of two options, Rate A for lower-usage customers, and Rate B for higher-usage customers. Rate A would have a fixed charge mirroring that of Schedule D, and a baseline credit derived by multiplying the baseline quantity (in kWh) that the customer would have received had they been served that month on Schedule D by the difference (in cents) between the residential non-CARE average rate and the Tier 1 rate under Schedule D. Rate B would have no baseline credit and a \$16 fixed charge.

In filed testimony, NRDC agreed with SCE's proposed rate design for Schedule TOU-D. ORA opposed adoption of Rate B, arguing that the fixed charge should not exceed that of Schedule D because of the revenue deficiency concerns described in the previous section.

The Settling Parties resolved this issue by adopting SCE's rate design proposal for Rate B (subject to System Average Percentage Change, or System Average Percentage Change, scaling), and by modifying the rate design for Rate A by setting the baseline credit differently than how SCE proposed. Specifically, the baseline credit will be established using customers' baseline zone allocations (in kWh) multiplied by a cent-per-kilowatt value established as the difference between (a) the volume-weighted average of the non-baseline (non-Tier 1) Energy Rate(s) of Schedule D, and (b) Tier 1 Energy Rates, subject to the further provision that the baseline credit shall be at least one cent less than the super-off-peak rate.

### **3.1.2 Time Periods for Optional TOU Residential Rates**

SCE currently has two whole-house TOU schedules for residential customers – Schedule TOU-D-T (a two-tiered rate of general applicability) and Schedule TOU-D-TEV (for customers who charge PEVs). Schedule TOU-D-T has an on-peak period of 12:00 p.m. to 6:00 p.m. on non-holiday weekdays. Schedule TOU-D-TEV's on-peak period is 10:00 a.m. to 6:00 p.m. on non-holiday weekdays. In this Application, SCE proposed to close Schedule TOU-D-TEV (and, in its pending 2015 GRC Phase 2 Application, it proposed to also close Schedule TOU-D-T) upon Commission approval of Schedule TOU-D. It also proposed to set the on-peak period for Schedule TOU-D from 2:00 p.m. to 8:00 p.m.

In filed testimony, NRDC agreed with SCE's proposal. ORA opposed a change to the TOU periods if Schedule TOU-D was open to all residential customers, but otherwise supported the proposed modification. SEIA opposed a change to the TOU periods even if only limited to PEV customers.

The Settling Parties agreed to close Schedule TOU-D-TEV and migrate those customers to Rate A or B of Schedule TOU-D depending on an analysis of the customers' previous twelve months of usage. They also agreed to adopt SCE's proposed TOU periods for Schedule TOU-D, and to keep Schedule TOU-D-T open – with the same time periods it currently has – until the date on which the tariffs implementing SCE's 2018 GRC Phase 2 become effective. SCE also agreed to explore implementing design changes to Schedule TOU-D-T that would conform the tariff and bill presentment to proposals made in settlement by ORA.

### **3.1.3 Revenue Deficiency from Optional Rates**

In the testimony accompanying its Application, SCE proposed to re-balance the Schedule TOU-D rate to be revenue neutral with respect to Schedule D, its basic residential tariff, and proposed that any revenue deficiency resulting from customers moving from the tiered residential rate to Schedule TOU-D would be captured in the Conservation Incentive Adjustment balancing account and be allocated to the entire residential class of customers.

In filed testimony, ORA argued that revenue deficiencies should be paid for exclusively by customers taking service on the optional rate.

The Settling Parties agreed that, at least annually, SCE will re-balance the Schedule TOU-D to be revenue neutral to Schedule D, consistent with how this is done for optional non-residential rates pursuant to SCE's 2012 GRC Phase 2. The Settling Parties' agreement to initially cap enrollment on Schedule TOU-D to 200,000 customers also limited the extent of any revenue deficiency resulting from opening up eligibility for Schedule TOU-D.

### **3.1.4 Meter Charge for Schedule TOU-EV-1**

In the testimony accompanying its Application, SCE proposed a \$2.64 recurring monthly meter charge for customers taking service on SCE's separately-metered PEV rate schedule, Schedule TOU-EV-1.

In filed testimony, Both ORA and NRDC opposed the separate meter charge, and advocated that the meter charge be consistent with the customer charge of Schedule D.

The Settling Parties agreed to adopt SCE's proposal.

## **4 Discussion**

Settling Parties contend that the Settlement Agreement meets the criteria for a settlement pursuant to Rule 12.1(d), requesting that the Settlement Agreement be adopted as a whole by the Commission because it is reasonable in light of the whole record, consistent with law, and in the public interest.

We address each required criterion with respect to the Settlement below.

### **4.1.1 Is the Settlement Agreement Reasonable In Light Of the Record?**

The record of this proceeding includes SCE's application and the protests and responses thereto; the testimony filed by SCE and intervenors; and the Joint Motion and the Settlement Agreement itself. Settling Parties assert that, taken together, these documents provide the information necessary for the Commission to find the Settlement Agreement reasonable in light of the record.

In the Joint Motion, Settling Parties describe how the Settlement Agreement represents a reasonable compromise of the Settling Parties' positions.

First, with respect to Rate R rate design, the parties reached a compromise that adopts a rate design based on a cost study that uses a larger population of Rate R customers than used by the current rate design; the compromise rate design also averaged the adjustment values initially proposed by SCE and SEIA to calculate the offset for the distribution demand charges. Settling Parties state that Appendix B to the Settlement Agreement, comparing current Rate R rates with illustrative settlement Rate R rates, shows that the changes are sufficiently modest to provide bill stability to current Rate R customers. Finally, Settling Parties assert that the proposed Rate R cap of 400 MW is a reasonable compromise between SCE's position (to maintain the fully subscribed cap "as is") and that of SEIA and CALSEIA's (to dispense with the cap entirely): by

agreeing not to revisit the Rate R cap until SCE's 2018 GRC Phase 2, the Settling Parties believe that they have simplified the scope of SCE's 2015 GRC Phase 2 (thereby conserving resources and time for all affected parties). The Settling Parties also believe that their compromise will provide certainty over a three-year horizon while rate design issues for solar customers continue to be evaluated in other Commission proceedings, including the Net Energy Metering Rulemaking (R.14-07-002).

Second, with respect to residential TOU rate design, Settling Parties assert that the Settlement Agreement's resolution of the issues is also reasonable because it provides for the establishment of more cost-based optional TOU rates for all residential customers, regardless of whether they are high- or low-usage customers, subject to an enrollment cap that mitigates concerns about revenue deficiencies. Settling Parties believe that their agreement to keep Schedule TOU-D-T open, with time periods distinct from those proposed in Schedule TOU-D, is also reasonable because it maintains customer choice and does not prejudge the outcome of other proceedings in which TOU periods will be proposed or set. The Settling Parties assert that they appropriately factored into the Settlement Agreement a three-year term subject to off-ramps that reasonably account for potential future Commission decisions on the design of optional TOU rates.<sup>7</sup>

Finally, with respect to its treatment of PEV rates, Settling Parties assert that the Settlement Agreement is also reasonable insofar as it is consistent with

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<sup>7</sup> For example, because Schedule TOU-D-T, as currently constructed, is based on "Level 1" rates being 130% of baseline, SCE is obligated under the Settlement Agreement to meet and confer with Settling Parties about any structural changes to that rate schedule that may result from Commission orders involving modifications to Schedule D (the default residential rate).

the Commission's guiding principles from the Alternative Fuel Vehicle Rulemaking, namely to have utilities propose rates that are attractive to PEV customers, easy to understand, and that appropriately collect the costs incurred by PEV customers to the extent they choose a separately metered rate schedule.<sup>8</sup> Specifically, the extended off-peak period of Schedule TOU-D will allow more time for Level 1 charging of PEVs, resulting in pollution-reduction for all customers. While we agree with the approach offered by the Settling Parties, we suggest that the migration of PEV customers to the new tariff be communicated clearly to customers well in advance of the actual tariff migration. In addition, SCE should consider using that advance notification as an opportunity to let customers provide feedback on which tariff option they would like to migrate to, rather than assigning them to a particular tariff without their feedback. SCE's suggestion to analyze the prior 12-month bill history in order to recommend a tariff option will help customers understand the rate impact of this migration.

We find that based on the evidentiary record of this proceeding, including prepared testimony and the ALJ's examination of witnesses at hearings, this uncontested Settlement Agreement reasonably resolves the identified issues.

#### **4.1.2 Is the Settlement Agreement Consistent with the Law?**

The Settling Parties believe that the terms of the Settlement Agreement comply with all applicable statutes and prior Commission decisions, and reasonable interpretations thereof. The Settling Parties state that, in agreeing to the terms of the Settlement Agreement, they have explicitly considered the

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<sup>8</sup> R.09-08-009, the Alternative Fuel Vehicle Order Instituting Rulemaking (AFV OIR), was opened in 2009 to explore the issues surrounding PEV adoption and integration with the electric grid. The AFV OIR continues in a new rulemaking (R.13-11-007).



relevant statutes and Commission decisions and believe that the Commission can approve the Settlement Agreement without violating applicable statutes or prior Commission decisions.

In the Joint Motion, Settling Parties also provide a lengthy discussion regarding the interrelationship between this proceeding and the Commission's Residential Rate Design Order Instituting Rulemaking (RROIR, or R.12-06-013), arguing that the Settlement Agreement is also ripe for review and approval of optional residential TOU rates applicable to more than PEV customers notwithstanding that Phase 1 of the RROIR is still pending. Settling Parties note that even though ORA, TURN and SEIA initially raised as an issue in this proceeding the question of the proper venue for Commission review of changes to TOU periods (i.e., this proceeding or the RROIR), "the issue was effectively resolved by the unopposed Settlement Agreement's provisions regarding, opt-in non-tiered residential TOU rates of general applicability, subject to specific agreed-upon conditions." Settling Parties further note that "nothing precludes the Commission from issuing policy direction or orders in connection with its final resolution of RROIR Phase 1 issues that would modify any Commission-approved rate schedules then in effect" and that, "finally, pursuant to Rule 12.5, 'Commission adoption of the settlement is binding on all parties to the proceeding in which the settlement is proposed. Unless the Commission expressly provides otherwise, such adoption does not constitute approval of, or precedent regarding, any principle or issue in the proceeding or in any future

proceeding. That means this non-precedential settlement cannot prejudice policy determinations by the Commission in the RROIR.”<sup>9</sup>

We find that the Settlement Agreement is consistent with law. As described by the Settling Parties, the process for conducting settlement discussions was in accordance with Article 12 of the Commission’s Rules of Practice and Procedure. Further, the Settlement Agreement is not inconsistent in any way with the Public Utilities Code, Commission decisions, or the law in general.

#### **4.1.3 Is the Settlement Agreement in the Public Interest?**

In the Joint Motion, Settling Parties assert that the four-party Settlement Agreement is supported by parties that fairly represent the affected interests at stake in this proceeding and that the signatories to the Settlement Agreement represent the interests of residential and solar customers, and environmental advocates, affected by the Settlement Agreement. Settling Parties also argue that the fact that the Settlement Agreement is unopposed also supports its adoption as written. Settling Parties again state that the Settlement Agreement is a reasonable compromise of the Settling Parties’ respective positions and that it fairly resolves issues and provides more certainty to residential and commercial solar customers regarding their present and future costs, which is in the public interest.

Settling Parties also argue that the Settlement Agreement, if adopted by the Commission, avoids the cost of further litigation, and frees up Commission resources for other proceedings. Similarly, the Settlement Agreement frees up

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<sup>9</sup> Joint Motion at 16-17.

the time and resources of other parties as well, so that they may focus on the rest of this proceeding and other proceedings.

Based on our review of the Comparison Exhibit provided in Appendix A to the Settlement Agreement, we find that the Settlement Agreement is a reasonable compromise of Settling Parties' respective litigation positions. We further find that the Settlement Agreement is in the public interest because it avoids the cost of further litigation, and conserves scarce resources of parties and the Commission.

## **5 Conclusion**

On the basis of our findings that the proposed settlement agreement is reasonable in light of the whole record, consistent with law, and in the public interest, we grant the August 14, 2014 Joint Motion to adopt the Settlement Agreement, as amended by Settling Parties on August 21, 2014.

## **6 Comments on Proposed Decision**

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Section 311(g)(2) of the Public Utilities Code and Rule 14.6(c)(2) of the Commission's Rules of Practice and Procedure, the otherwise applicable 30-day period for public review and comment is waived.

## **7 Assignment of Proceeding**

Michael R. Peevey is the assigned Commissioner and Stephen C. Roscow is the assigned ALJ in this proceeding.

## **Findings of Fact**

1. The August 14, 2014 Settlement Agreement is an uncontested settlement.
2. The August 14, 2014 Settlement Agreement was entered into by parties representing all impacted customer groups.

3. The August 14, 2014 Settlement Agreement was reached after demonstrable give and take between the settling parties.

**Conclusions of Law**

1. The August 14, 2014 Settlement Agreement, as amended, is reasonable in light of the record, consistent with law, and in the public interest.

2. The August 14, 2014 Settlement Agreement, as amended, should be approved.

3. This order should be effective immediately so that SCE may prepare the necessary advice letter, parties may review and comment on the Advice Letter, and rates may be timely adjusted.

**O R D E R**

**IT IS ORDERED** that:

1. The motion dated August 14, 2014 requesting approval of the Settlement Agreement between Southern California Edison Company, the Office of Ratepayer Advocates, the Solar Energy Industries Association, and the Natural Resources Defense Council is granted. The Settlement Agreement filed on August 14, 2014, as amended with the updated tables filed on August 21, 2014, is adopted.

2. Within 45 days of the date this order is mailed, Southern California Edison Company shall file an Advice Letter (AL) in compliance with General Order 96-B. The AL shall include revised tariff sheets to implement the revenue allocations and rate designs adopted in this order. The tariff sheets shall become effective no earlier than January 1, 2015, subject to Energy Division determining that they are in compliance with this order. No additional customer notice for

this advice letter filing need be provided pursuant to General Rule 4.2 of General Order 96-B.

3. Application 13-12-015 is closed.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.